VZCZCXRO3288

OO RUEHDBU RUEHFL RUEHKW RUEHLA RUEHNP RUEHROV RUEHSL RUEHSR DE RUEHMO #1873/01 2030955

ZNY CCCCC ZZH
O 220955Z JUL 09

FM AMEMBASSY MOSCOW

TO RUEHC/SECSTATE WASHDC IMMEDIATE 4313
INFO RUCNCIS/CIS COLLECTIVE IMMEDIATE
RUEHZL/EUROPEAN POLITICAL COLLECTIVE IMMEDIATE
RUEHXD/MOSCOW POLITICAL COLLECTIVE IMMEDIATE
RUEAIIA/CIA WASHDC IMMEDIATE
RUEKJCS/JOINT STAFF WASHDC IMMEDIATE
RHEHNSC/NSC WASHDC IMMEDIATE
RUEKJCS/SECDEF WASHDC IMMEDIATE

C O N F I D E N T I A L SECTION 01 OF 03 MOSCOW 001873

SIPDIS

E.O. 12958: DECL: 07/21/2019

TAGS: PREL PGOV MARR KG GG AZ AR RS

SUBJECT: U/S BURNS JULY 7 MEETING WITH DFM KARASIN:
NAGORNO-KARABAKH, CENTRAL ASIA, GEORGIA, UKRAINE

Classified By: Ambassador John R. Beyrle for reasons 1.4 (b) and (d).

11. (C) Summary. In a meeting with U/S Burns July 7, on the margins of the President's visit to Moscow, Deputy Foreign Minister Grigoriy Karasin said he was optimistic about the chances of a settlement of the Nagorno-Karabakh conflict. urged the U.S. and Russia to be transparent on dealings in Central Asia, and stressed that Moscow "hoped" that the new U.S. deal on Manas would be for temporary transit purposes for Afghanistan and not a permanent military establishment. The latter would be seen as almost as provocative to Moscow as NATO enlargement. He acknowledged that Deputy PM Sechin and Defense Minister Serdyukov were in Bishkek, without specifying the nature of their trip. Karasin said Russia supported continuation of the Geneva process for Georgia, but reiterated arguments that Tbilisi was playing a political game rather than seeking to stabilize the situation. U/S Burns countered Karasin's claim that Russia was seeing U.S. military support for Georgia, stressing that U.S. efforts were currently focused on training. Karasin expressed concern at growing nationalism in Ukraine and perceived efforts by Kyiv to politicize differences with Russia over the Black Sea Fleet. He urged A/S Gordon and A/S Blake to visit Moscow for bilateral meetings soon. End summary.

Nagorno-Karabakh

- 12. (C) Karasin told U/S Burns he was "unusually optimistic" about the chances for resolving the conflict in Nagorno-Karabakh. He said he thought there was a good possibility the two Presidents would reach an agreement on the issues of refugees and the Lachin corridor. He liked the idea of a U.S.-Russia-France statement at the G8, and thought that if the Armenian and Azerbaijani Presidents could reach agreement on the principles at their meeting in Moscow on
- 13. (C) Karasin commented that the Turkey-Armenia new "love affair" had Baku nervous, but said it was good and we should welcome it. He praised the work of the Minsk Group and said he would be interested in any new ideas the U.S. could suggest on how to proceed.

July 17, it would be a very important achievement.

Central Asia

14. (C) U/S Burns told DFM Karasin that he would be traveling to Central Asia following the G8 Summit in Italy. Karasin said the recent events in Urumqi showed how fragile the stability in that part of the world was. China was even more stable than the Central Asian countries, and Urumqi was dangerous because of the possible domino effect in other regions. He said the U.S. and Russia should assess together

the challenges in Central Asia and consider each other's priorities in the region.

- ¶5. (C) Karasin noted that Russia wanted to play its own role with the Central Asian countries, but they also had their own interests with Russia. Russia had many more contacts with Central Asia than before; President Medvedev and PM Putin were actively engaged, and had visited the region several times. The leaders of the countries would likely be in Moscow for the Presidents' Cup horse races July 17-18, and it was possible that Medvedev would visit the region, including perhaps Tajikistan, at the end of July. Russia was politically involved, but was trying to develop more economic and trade ties, and believed that more business and projects should follow.
- 16. (C) Karasin wryly commented that the Central Asian countries often tried to play the U.S. off against Russia and vice-versa. The U.S. and Russia should be transparent, blunt and understand each other's "maneuvers" regarding the region. "Competition should be fair and contribute to stability in the region." He also commented that Russia had been suspicious of U.S. efforts to put Central Asian countries with Afghanistan, Pakistan, India and other countries in the region. Russia did not agree that they had similar problems and issues, but was concerned that the problems in Afghanistan and Pakistan Islamic fundamentalism, narcotics trafficking, extremism, and instability would eventually migrate to Central Asia. He asked whether the U.S. really thought Central Asian nations could do more to solve the problems in Afghanistan. U/S Burns said there were obvious

MOSCOW 00001873 002 OF 003

differences between the Central Asian states and those of South Asia, but emphasized the practical value of cooperation on issues like electricity and trade, and the importance of overflight and transit arrangements in Central Asia for our common stake in stability in Afghanistan.

Manas

¶7. (C) Karasin stressed that Russia hoped the new U.S. agreement with Bishkek was for "transit" and not for a "permanent military establishment." The latter would "touch Russia's strategic interests," and would be seen as a "second variant" to NATO enlargement – not as serious as NATO but similar in its impact on Russian security. He said the deal we reached seemed to be about 90 percent the same as the previous arrangement. U/S Burns said that the transit arrangements were similar, but the security and financial aspects were different. He emphasized that we have no interest in permanent military bases in the region. Karasin acknowledged that Deputy PM Sechin and Defense Minister Serdyukov were in Bishkek, but merely said he hoped they would "bring some concrete results back" without specifying the nature of their trip.

Georgia

- 18. (C) Karasin said that Tbilisi needed to "change its political philosophy." Georgia wanted to be an enemy to all its neighbors, and could act with impunity because it felt that it was supported by the major powers. This was a dangerous attitude, Karasin warned. Tbilisi should realize that it would be better to search for "friendly language" with Abkhazia and South Ossetia, and even with Russia.
- ¶9. (C) Moscow had "honestly" supported efforts and spent long, sleepless nights to find solutions on the OSCE and UN monitors, Karasin said, but it was "clear that Georgia had been given the choice in Vienna, New York, and Geneva between stability and playing a political game, and had chosen the latter."

- 110. (C) U/S Burns countered Karasin's claim that Russia was seeing U.S. military support for Georgia, stressing that U.S. efforts were currently focused on training. Karasin said Russia now had border guards in Abkhazia and South Ossetia, and knew there "wouldn't be an avalanche of recognitions," but there needed to be some new ideas. Moscow would continue to support Abkhazia's and South Ossetia's economic and social development, but needed "normal behavior" from Tbilisi.
- 111. (C) Karasin emphasized that at the OSCE, Russia had not pressed for two completely separate missions, but for two missions reporting to the same chief in Vienna. The same was true at the UN, but Tbilisi "preferred instability," he claimed.
- 112. (C) Russia believed the Geneva process should continue, Karasin said, because it gave an opportunity for the Abkhaz and South Ossetians to face the Georgians, and it was in all our interests to promote such continued communication.

Ukraine

- 113. (C) Karasin said he generally shared the view that the political and economic situation in Ukraine was a mess, and that the leadership needed to stop squabbling among themselves and focus on efforts to overcome the problems. U/S Burns stressed that our main interest in Ukraine right now was stability.
- 114. (C) Karasin said that initially, Moscow had been concerned about the scheduling of the elections for January 17, since it was likely all the candidates would use end-of-year gas issues with Russia in their campaigns. Moscow was increasingly concerned about two issues: perceived growing "nationalism" in Ukraine, as evidenced by events at the 300th anniversary of the battle of Poltava; and second, efforts to politicize differences over Sevastopol and the Black Sea Fleet (BSF) and to link them to the U.S. and NATO. The practical difficulties over the BSF could easily be resolved, Karasin argued, but Kyiv kept trying to politicize the issue. Still, Karasin said, the relationship

MOSCOW 00001873 003 OF 003

was "normal," with a lot of contacts, and Russia still considered Ukraine as "close and friendly." Karasin contended that "if we could sweep away the artificial flavor of Ukrainian bad nationalism, it would be better for everyone."

115. (C) On gas issues, Karasin said the signing of the accord between the EU and Ukraine, with no Russian input two days before the Brussels conference, had been "peculiar." It was clear the EU, Ukraine and Russia had to get together and settle the gas transit problems; it could not be done without Moscow. (He added with a twinkle that corruption in the energy sector was much worse in Ukraine than in Russia). If both sides were serious, they needed to be transparent. Russian officials, particularly Putin, were very clear (though he noted that Gazprom chief Alexey Miller was less so), but Ukraine had no logic; it wanted the supply but did not want to pay.

A/S Gordon

116. (SBU) Several times, Karasin said Moscow would very much welcome visits by A/S Gordon and A/S Blake to Moscow and looked forward to meeting with them soon.

BEYRLE